Juniper

Internal Scrutiny Report

Financial Controls

2023-24

Michaela Community School

February 2024

0345 200 8600 |enquiries@junipereducation.org | junipereducation.org

© 2023 Juniper Education. All rights reserved. This publication is the intellectual property of Juniper Education and no part of it may be reproduced, stored or transmitted by any means without prior permission of Juniper Education. Any unauthorised use for commercial gain will constitute an infringement of copyright.

Executive Summary

This report provides assurance that adequate controls are being operated within the trust, based on the understanding that the information provided during the review is accurate and complete. It should be noted however that recommendations to improve controls, if implemented, cannot guarantee that fraud or misappropriation could not occur.

Recommendations raised in the report issued should be considered by the board of trustees / Audit and Risk Committee to assist them in providing assurance over the suitability of, and compliance with, the systems and operational controls in place.

No fraud was identified or reported to us for the 2023-24 period. It remains the responsibility: of management to manage the control environment to help identify potential fraud and prevent the likelihood of fraud occurring.

© 2023 Juniper Education. All rights reserved. This publication is the intellectual property of Juniper Education and no part of it may be reproduced, stored or transmitted by any means without prior permission of Juniper Education. Any unauthorised use for commercial gain will constitute an infringement of copyright.

Introduction

The Academy trust handbook specifies

> *3.1 All academy trusts **must** have a programme of internal scrutiny to provide independent assurance to the board that its financial and non-financial controls and risk management procedures are operating effectively.*

Providing that the trust has selected a scope of work for financial and non-financial controls and has considered its risk register, this Internal Scrutiny Report demonstrates how the trust meets the Academy trust handbook 2023 internal scrutiny requirements.

Please note that this report is an exception report and therefore only contains the details of any issues arising from the review of the scope of work detailed below.

© 2023 Juniper Education. All rights reserved. This publication is the intellectual property of Juniper Education and no part of it may be reproduced, stored or transmitted by any means without prior permission of Juniper Education. Any unauthorised use for commercial gain will constitute an infringement of copyright.

Juniper

Scope

The relevant board, informed by its risk register approved the below scope of work:

Governance Framework - 1of2	Banking
Internal scrutiny of controls and processes relating to Policies, Transparency, Publication of information.	Review to establish the effectiveness of the controls and processes for banking and BACS transactions.
Financial Oversight & Appointments	Bank Account Structure
Related Party Transactions - Register of Interests	Authorised Signatories
Related Party Transactions - Declaration of Interest Forms	BACS/Faster Payments
Related Party Transactions - Conflicts of Interest	Bank Reconciliation
Related Party Transactions - Reporting	Sample testing of bank reconciliations
Transparency - GIAS	Cheque payments
Suitability of members	Unresolved Issues
Gifts	
Risk	
Business Continuity	
Internal Scrutiny - Audit and Risk Committee	
Whistleblowing	
Unresolved Issues	

Assessment of policy content for appropriateness is outside of the scope for this review. The trust should satisfy themselves that relevant policies are in place and that the content for each policy is appropriate.

© 2023 Juniper Education. All rights reserved. This publication is the intellectual property of Juniper Education and no part of it may be reproduced, stored or transmitted by any means without prior permission of Juniper Education. Any unauthorised use for commercial gain will constitute an infringement of copyright.

Juniper

Juniper does offer a separate review examining the policies in place and their content. Please contact the Juniper Audit Manager if this is something the trust would like to consider.

© 2023 Juniper Education. All rights reserved. This publication is the intellectual property of Juniper Education and no part of it may be reproduced, stored or transmitted by any means without prior permission of Juniper Education. Any unauthorised use for commercial gain will constitute an infringement of copyright.

Individual recommendations Key:

High Priority	Trustees must review this recommendation as a priority.
Medium Priority	Internal controls should be strengthened to minimise risk.
Low Priority	Internal control could be strengthened in line with best practice, but little risk of material loss.
Note/area of consideration	Comment for information only

© 2023 Juniper Education. All rights reserved. This publication is the intellectual property of Juniper Education and no part of it may be reproduced, stored or transmitted by any means without prior permission of Juniper Education. Any unauthorised use for commercial gain will constitute an infringement of copyright.

Summary of Findings

RAG	Finding	Recommendation	
Governance Framework 1 of 2			
Low Priority	The academy trust has savings accounts but does not have an Investment Policy.	It was evidenced that the academy trust has a fixed deposit account (35-day account), the academy trust should consider 2.22 of the Academy trust handbook requirements regarding creating an investment policy should the academy trust continue to use fixed savings accounts or invest further.	
Management Response:	*AM to write investment policy for approval at summer term FGB*	*Responsibility / Due Date:*	*AM, summer term*
Banking			
Checks performed to verify items listed in the scope of work found the systems to be in order and no issues were identified.			

© 2023 Juniper Education. All rights reserved. This publication is the intellectual property of Juniper Education and no part of it may be reproduced, stored or transmitted by any means without prior permission of Juniper Education. Any unauthorised use for commercial gain will constitute an infringement of copyright.

Notes / Areas for Consideration

Governance Framework 1 of 2	
Audit & Risk Committee function	The functions of an audit committee are performed by the Full Governing Body. It was noted that there are members of staff who are members of the Full Governing Body. Section 3.11 of the Academy trust handbook states where the audit and risk committee is combined with another committee, employees should not participate as members when audit matters are discussed; they may remain in attendance to provide information and participate in discussions.
Published Register of Business Interests	Relevant business and financial interests of members, trustees, and the accounting officer were not published on the academy trust's website. It was advised this was for current security reasons. Section 5.48 0f the Academy trust handbook states: "Trusts must publish on their websites relevant business and financial interests of members, trustees, local governors and accounting officers. Trusts have discretion over the publication of interests of other individuals named on the register. The Charity Commission offers guidance in Manage a conflict of interest in your charity and CC29: Conflicts of interest: a guide for charity trustees." When appropriate the Register of Business Interests for publication should be available on the academy trust’s website.
Banking	
Specimen Signatory List	The specimen signatory list does not include the Operations Manager who has expenditure authorisation limits listed in the Finance Policy & Regulations. For internal control and audit purposes the academy trust’s specimen signatory list should be updated to include all individuals with expenditure authorisation limits.

© 2023 Juniper Education. All rights reserved. This publication is the intellectual property of Juniper Education and no part of it may be reproduced, stored or transmitted by any means without prior permission of Juniper Education. Any unauthorised use for commercial gain will constitute an infringement of copyright.

Juniper

Changes to supplier bank details	It was advised that suppliers are contacted to verify bank details before they are input onto the financial accounting system but this could not be verified during the review. New supplier bank account details must be verified with the supplier. Documentation for each supplier bank detail amendment/creation should include evidence of a phone call made to the supplier to confirm the new bank details. This record should contain who made the call, the date the call was made and the supplier representative spoken to.

© 2023 Juniper Education. All rights reserved. This publication is the intellectual property of Juniper Education and no part of it may be reproduced, stored or transmitted by any means without prior permission of Juniper Education. Any unauthorised use for commercial gain will constitute an infringement of copyright.

Key Contacts

Juniper Education Review Consultant	Sian Smith
Juniper Review Programme Manager	Joanne Ward FCCA
Juniper Audit Manager	Carly Quick Crockford ACCA
Information Provided by	Finance Manager
Exit meeting attended by	Finance Manager
Chair of the Board of Trustees	Chindi Amadi
Headteacher / AO	Katherine Birbalsingh
Finance Manager / CFO	Ali Mansfield
Financial Accounting System	Sage 50 Accounts Professional

© 2023 Juniper Education. All rights reserved. This publication is the intellectual property of Juniper Education and no part of it may be reproduced, stored or transmitted by any means without prior permission of Juniper Education. Any unauthorised use for commercial gain will constitute an infringement of copyright.

EMERGING ISSUES

Acquiring and Converting a New School

An education whitepaper published in March 2022, set out the Government's ambition for all schools to be part of a multi-academy trust by 2030. Trusts will be looking to acquire further schools. Juniper can help with the due diligence for this process. Please contact carly.quickcrockford@junipereducation.org should you require any further information.

Wellbeing

It has been reported that staff stress levels are high, leading to many staff leaving the education sector altogether. Mitigating the impact of stress in the workforce should be implemented into everyday trust life by use of a wellbeing charter and strategies and structures that are put in place. Juniper can assess the general wellbeing of staff and provide suitable recommendations to help improve staff wellbeing and staff retention. Please contact carly.quickcrockford@junipereducation.org should you require any further information.

Cyber Security

Cyber security has continued to be a growing area of concern and risk over the past 18 months, with more people working remotely and an increased frequency of email hacking, phishing and malvertising. The July 2020 governance update advises that schools should include an assessment of cyber security within their risk registers, and the ESFA have produced further guidance and suggested questions that trustees can ask on the National Cyber Security Centre website.

GDPR

An increasing number of schools are incurring unplanned costs, both direct and indirect, because of the increase in basic, and easily avoidable, data protection incidents and poorly managed school communications. This is combined with the increasing awareness of data subject of their right to bring a claim [on average in the order of £5,000 per claimant], directly against a school, leading to considerable potential risk to a school. Our GPDR associate has created a briefing video which helps you understand the changing risk to your school and employ some basic strategies and resources to help mitigate them and protect your school against unplanned costs. If you would like access to this briefing, please contact carly.quickcrockford@junipereducation.org

© 2023 Juniper Education. All rights reserved. This publication is the intellectual property of Juniper Education and no part of it may be reproduced, stored or transmitted by any means without prior permission of Juniper Education. Any unauthorised use for commercial gain will constitute an infringement of copyright.

Juniper

USEFUL LINKS

ACADEMY TRUST HANDBOOK

The Academy trust handbook 2023 is effective from September 2023. Trustees should ensure that they have read this document and noted any changes to ensure any new requirements are adhered to.

Academy Trust Handbook 2023 (publishing.service.gov.uk)

INTERNAL SCRUTINY IN ACADEMY TRUSTS

This good practice guide provides guidance for trustees, audit and risk committees, accounting officers, and chief financial officers (CFOs) in academy trusts.

Internal scrutiny in academy trusts - GOV.UK (www.gov.uk)

Bespoke Reviews

If our portfolio of reviews does not include a particular area of interest or risk identified by the trust board, please contact us to discuss our bespoke review options.

Consulting

Juniper is available to provide consulting services in many areas of running a multi academy trust, from centralisation implementation and restructuring to expansion and attracting schools. Please contact us if you would like more information on our consulting work.

Non-Financial Reviews Offered

PE & Sports Premium Review

0345 200 8600 |enquiries@junipereducation.org | junipereducation.org

© 2023 Juniper Education. All rights reserved. This publication is the intellectual property of Juniper Education and no part of it may be reproduced, stored or transmitted by any means without prior permission of Juniper Education. Any unauthorised use for commercial gain will constitute an infringement of copyright.

Juniper

Schools must use PE and sport premium funding to make additional and sustainable improvements to the quality of the PE, physical activity, and sport they provide. Our review will look at whether the funding is being used effectively to develop and add to your provision and examine your own evaluation of the impact using the 5 key indicators set out in the DfE guidance.

Pupil & Recovery Premium Review

Evidence shows that disadvantaged children generally face additional challenges in reaching their potential at school and often do not perform as well as other pupils. Pupil and recovery premium grants provide funding for schools to provide extra support for these pupils. Our review team will take on the role of ‘critical friend’, highlighting areas of strength around the school’s approach to the use of the premiums, but also identifying what can be improved.

Safeguarding Internal Scrutiny Review

Keeping pupils safe is a core responsibility of schools and is rightly a key part of legislation and inspection. A safeguarding internal scrutiny review will assure settings of what they are doing well and provide recommendations to further improve practice and meet and exceed statutory expectations.

SEND Internal Scrutiny Review

Children and young people with special educational needs and disabilities should achieve well in their early years, at school and in college, and lead happy and fulfilled lives. Supporting SEND pupils safe is a core responsibility of schools and is rightly a key part of legislation and inspection. A SEND internal scrutiny review will assure settings of what they are doing well and provide recommendations to further improve practice and meet and exceed statutory expectations.

SEND Ofsted Audit

Though Ofsted doesn’t give separate grades for a school’s SEND provision, the evidence gathered is used to inform other judgements. Therefore, schools may find it useful to consider their provision in the same way as an inspection might.

We are pleased to offer an audit focussing on Ofsted criteria, in particular the requirements of paragraphs 360 to 364 of the inspection handbook.

© 2023 Juniper Education. All rights reserved. This publication is the intellectual property of Juniper Education and no part of it may be reproduced, stored or transmitted by any means without prior permission of Juniper Education. Any unauthorised use for commercial gain will constitute an infringement of copyright.

Juniper

Sustainability Internal Scrutiny Review

Children and young people should have an understanding of the effects that human use of the world's resources has on them as individuals (including health, wellbeing, and financial wellbeing), the school community, their locality and the world. Our review team will take on the role of 'critical friend', highlighting areas of strength around the sustainability agenda, but also identifying what can be improved.

Teaching & Learning Review

Children and young people's education through the pandemic has suffered. Research is clear that some groups of pupils have fallen further behind than others. A key responsibility of schools is the need to prioritise the teaching of missed content so that pupils will be able to make sense of later work in the curriculum. This includes key knowledge, skills, vocabulary, concepts, and the links between concepts. Our review team will take on the role of 'critical friend', highlighting areas of strength around the school's approach to teaching for education, but also identifying what can be improved.

© 2023 Juniper Education. All rights reserved. This publication is the intellectual property of Juniper Education and no part of it may be reproduced, stored or transmitted by any means without prior permission of Juniper Education. Any unauthorised use for commercial gain will constitute an infringement of copyright.

Juniper